

**Item 1 – Cover Page**

**WiseBanyan, Inc.**

**Form ADV Part 2 Brochure  
March 17, 2014**

WiseBanyan, Inc.

10 East 40<sup>th</sup> Street

Suite 3210

New York, NY 10016

(646) 593-8354

[www.wisebanyan.com](http://www.wisebanyan.com)

This Brochure provides information about the qualifications and business practices of WiseBanyan, Inc. ["WiseBanyan"]. If you have any questions about the contents of this Brochure, please contact us at (646) 593-8354. Currently, our Brochure may be requested free of charge by contacting Herbert Moore, President, at (646) 593-8354 or [herbert.moore@wisebanyan.com](mailto:herbert.moore@wisebanyan.com).

The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

WiseBanyan is a registered investment adviser. Registration of an Investment Adviser does not imply any level of skill or training. The oral and written communications of an adviser provide you with information about which you determine to hire or retain an adviser. Additional information about WiseBanyan is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). WiseBanyan's CRD number is 150953.

## Item 2 – Material Changes

This Item of the Brochure will discuss only specific material changes that are made to the Brochure and provide clients with a summary of such changes. The last update of our brochure was November 22, 2013.

We do not have any material changes to report with the Brochure dated February 18, 2014; however, please note that we have updated the Assets Under Management information in Item 4 in accordance with the filing of our Annual Updating Amendment on February 18, 2014.

(Brochure Date: 02/18/2014)

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Our Brochure dated November 22, 2013 was materially updated as follows:

- Change of firm name from Archipelago Capital Management, LLC to WiseBanyan, Inc.
- Addition of new disclosure under Items 4, 5 and 12 related to a model portfolio management service option via the WiseBanyan.com web-site.

(Brochure Date: 11/22/2013)

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(Date of Most Recent Annual Updating Amendment: 02/18/2014)

We will further provide you with a new Brochure as necessary based on changes or new information, at any time, without charge. Currently, our Brochure may be requested by contacting Herbert Moore, President, at (646) 593-8354.

Additional information about WiseBanyan is also available via the SEC's web site [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The SEC's web site also provides information about any persons affiliated with WiseBanyan who are registered, or are required to be registered, as investment adviser representatives of WiseBanyan.

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## Item 4 – Advisory Business

WiseBanyan, Inc. (previously known as Archipelago Capital Management, LLC until November 12, 2013) is owned by Herbert Moore and has been providing advisory services since September 1, 2009. As of December 31<sup>st</sup>, 2013 WiseBanyan managed approximately \$11 million on a discretionary basis.

### PORTFOLIO MANAGEMENT SERVICES

The firm offers clients two differing options with respect to its management of portfolios:

1. Model portfolio management via the firm's WiseBanyan web-site.
2. Customized portfolio management solutions.

#### 1. Model portfolio management via the WiseBanyan web-site:

WiseBanyan begins by assessing a client's risk profile through an on-line questionnaire via the WiseBanyan web-site which gauges the client's desire to maximize returns vs. their desire to minimize losses. However, the client can decide on a risk profile independent of that which is generated by the questionnaire. Once the risk profile is established, the client is invested in one of the ten model portfolios (ranging from highly conservative to very aggressive) maintained by WiseBanyan – those with a higher risk tolerance and desire to maximize returns are invested more heavily in stock ETFs, while those who have more of a desire to minimize potential losses are invested more heavily in bond ETFs.

The WiseBanyan web-site allows clients to update their risk profiles online, and this will typically effect a change in their portfolio composition as a client is transitioned to a different model portfolio based on the new risk profile. WiseBanyan provides clients with a dedicated login to its website, [www.wisebanyan.com](http://www.wisebanyan.com), where clients can view their holdings and their account history. Clients are also provided with a login to their designated custodian (FolioFn, please see Item 12 for more information) where they can also review holdings. WiseBanyan rebalances each client's portfolio on a periodic basis to realign the portfolio to the desired weighting across investments.

Clients utilizing WiseBanyan's on-line model portfolio service should understand that model portfolios are allocated to a very limited number of ETFs (currently seven, managed by Vanguard and iShares). While WiseBanyan believes that each model provides an appropriate risk-based allocation based on a client's risk profile, clients of the service

should understand that such concentration creates a greater potential risk to portfolio loss than a diversified portfolio.

As WiseBanyan requires that it is provided authority by each model portfolio management client to open the custodial account with FolioFN on behalf of the client, WiseBanyan will ensure that each such account will be opened in the client's name, and WiseBanyan will promptly notify each client of the qualified custodian's name (i.e. FolioFN), address, and the manner in which the funds or securities are maintained.

In its management of all both customized and model portfolios on behalf of clients, WiseBanyan will ensure that the following conditions are met and maintained:

- 1) WiseBanyan will manage each client's account on the basis of the client's financial situation and investment objectives and any reasonable investment restrictions the client may impose;
- 2) WiseBanyan will obtain sufficient client information to be able to provide individualized investment advice to the client. At least annually, WiseBanyan will contact the client to determine whether there have been any changes in the client's financial situation or investment objectives and whether the client wishes to impose investment restrictions or modify existing restrictions.
- 3) On a quarterly basis the client will notify WiseBanyan in writing if there have been changes in the client's financial situation or investment objectives and whether the client wishes to impose investment restrictions or modify existing restrictions. These quarterly notifications will include the means through which contact shall be made to WiseBanyan;
- 4) WiseBanyan will be reasonably available to consult with the client;
- 5) Each client is able to impose reasonable investment restrictions on the management of the account;
- 6) Each client will receive a quarterly statement with a description of all account activity; and,
- 7) Each client will retain certain indicia of ownership of the securities and funds in the account, e.g., the ability to withdraw securities, among others.

## 2. Customized portfolio management solutions.

WiseBanyan manages customized investment portfolios for individuals. WiseBanyan will work with the client to determine the client's investment objectives and investment risk

profile. WiseBanyan typically manages such portfolios on both a discretionary and non-discretionary basis. A client's account(s) will either be customized to the individual needs of that client, or may utilize the Enhanced Indexing strategy for all or a portion of the account(s), as agreed to in writing with the client.

The Enhanced Indexing strategy shall include the purchase of a basket of ETF's and the subsequent sale of call options – in this case known as covered calls due to the client's ownership of the underlying ETF. These calls will be short term in duration, generally with expirations from one week to one month.

In addition to The Enhanced Indexing strategy, WiseBanyan may also manage other portfolios using ETF's and derivatives for clients. These accounts will be managed in the complete discretion of the manager, and may include the use of leverage.

## FINANCIAL PLANNING

WiseBanyan also provides advice in the form of limited financial planning; however, this service is typically only offered to existing Portfolio Management service clients upon request. Depending on the level of planning desired, WiseBanyan may provide a financial plan or simply a consultation with client. WiseBanyan's financial planning service fees are offered at an additional charge to clients beyond the portfolio management fees.

In general, the limited financial plan may address any or all of the following areas of concern:

**PERSONAL:** Family records, budgeting, personal liability, estate information and financial goals.

**TAX AND CASH FLOW:** Income tax and spending analysis and planning for past, current and future years. WiseBanyan will illustrate the impact of various investments on a client's current and future income tax liability.

**DEATH AND DISABILITY:** Cash needs at death, income needs of surviving dependents, estate planning and disability income analysis.

**RETIREMENT:** Analysis of current strategies and investment plans to help the client achieve his or her retirement goals.

**INVESTMENTS:** Analysis of investment alternatives and their impact on a client's portfolio.

RISK MANAGEMENT AND INSURANCE: Analysis of current and potential risks and development of alternative for management of the risks.

Should a client choose to implement the recommendations contained in the plan, we suggest you work closely with your attorney, accountant, insurance agent and other professionals. Implementation of financial plan recommendations is entirely at your discretion.

Financial planning clients should, however, understand that:

- a. a conflict exists between the interests of WiseBanyan and the interests of the client;
- b. the client is under no obligation to act upon WiseBanyan's recommendations; and
- c. if the client elects to act on any of the recommendations, the client is under no obligation to effect the transaction through WiseBanyan.

## **Item 5 – Fees and Compensation**

The specific manner in which fees are charged by WiseBanyan is established in a client's written agreement with WiseBanyan. Upon termination of any account, any prepaid, unearned fees will be promptly refunded, and any earned, unpaid fees will be due and payable. The client has the right to terminate an agreement without penalty within five business days after entering into the agreement. Client may cancel this Agreement after the Grace Period by providing 15 days advance written notice of cancellation to Advisor.

All fees are subject to negotiation. WiseBanyan's standard fee schedule is as follows, though fee arrangements for individual client accounts may differ substantially and may include performance based fees for those clients who are permitted by law to pay performance based fees:

### **PORTFOLIO MANAGEMENT SERVICES**

#### **1. Model portfolio management via the WiseBanyan web-site:**

A total annual fee of 0.00% - 0.50% of client assets is charged monthly in arrears. The specific manner in which fees are charged by WiseBanyan is established in a client's written agreement with WiseBanyan. Clients are required to authorize WiseBanyan to directly debit fees from client accounts. Client may also elect to be billed in advance for each month. Should client elect to be billed in advance each month, the Fee shall be calculated by multiplying the Advisory Fee by the net market value of the Account at close of business on the last calendar day of the prior month, and WiseBanyan shall deduct the fee from the account no later than the tenth business day of the month. Management fees

shall be prorated for each capital contribution and withdrawal made during the applicable calendar monthly (with the exception of de minimis contributions and withdrawals). Accounts initiated or terminated during a calendar month will be charged a prorated fee. For clients who elect to be billed quarterly in advance and who terminate during a calendar quarter, WiseBanyan will refund any prepaid but unearned portion of the fee to the client.

## 2. Customized portfolio management solutions via WiseBanyan.

An annual fee of 0.50% - 1.5% of client assets is charged quarterly. The specific manner in which fees are charged by WiseBanyan is established in a client's written agreement with WiseBanyan. WiseBanyan will generally bill its fees on a quarterly basis. Clients may elect to be billed in advance or arrears each calendar quarter. Clients may also elect to be billed directly for fees or to authorize WiseBanyan to directly debit fees from client accounts. Management fees shall be prorated for each capital contribution and withdrawal made during the applicable calendar quarter (with the exception of de minimis contributions and withdrawals). Accounts initiated or terminated during a calendar quarter will be charged a prorated fee. A client may cancel the Agreement without penalty by providing written notice of such cancellation to Advisor within five business days. A client may cancel the Agreement after the five business day grace period by providing five days advance notice of cancellation to WiseBanyan. For clients that elect to be billed quarterly in advance and who terminate the advisory agreement during a calendar quarter, WiseBanyan will refund any paid, unearned portion of the fee to the client.

## FINANCIAL PLANNING SERVICES:

All fees are subject to negotiation based upon the extent of duties performed. Fees for Financial Planning are calculated at the negotiable hourly rate of up to \$150 or on a fixed fee basis, which typically ranges from \$200 to \$2000, depending upon the complexity of services. Financial planning fees are due upon presentation of the financial plan to the Client. Either party may terminate this agreement for any reason upon receipt of written notice. Upon termination of a financial planning engagement, any earned, unpaid fees will be invoiced based upon the time spent and services rendered by WiseBanyan up to the time of termination.

## General Information on Fees:

WiseBanyan's fees are exclusive of brokerage commissions, transaction fees, and other related costs and expenses which shall be incurred by the client. Clients may incur certain charges imposed by custodians, brokers, third party investment and other third parties

such as fees charged by managers, custodial fees, deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions.

Mutual funds and exchange traded funds also charge internal management fees, which are disclosed in a fund's prospectus. Such charges, fees and commissions are exclusive of and in addition to WiseBanyan's fee, and WiseBanyan shall not receive any portion of these commissions, fees, and costs.

Clients have the option to purchase investment products that WiseBanyan recommends through other brokers or agents that are not affiliated with WiseBanyan.

Item 12 further describes the factors that WiseBanyan considers in selecting or recommending broker-dealers for *client* transactions and determining the reasonableness of their compensation (*e.g.*, commissions).

Lower fees for comparable services may be available from other sources.

WiseBanyan does not require or solicit payment of more than \$500 in fees per client, six months or more in advance.

## **Item 6 – Performance-Based Fees and Side-By-Side Management**

For certain customized portfolio management accounts, WiseBanyan charges a performance based fee (the "Incentive Fee") for clients who are eligible to pay such.

This fee schedule is based on a percentage of assets under management (as disclosed above under Item 5) plus an Incentive Fee of 20% of the total return of the account(s). The total return is defined as the net realized and unrealized capital gains and losses, plus interest, dividends, and distributions for the period. Incentive fees will be calculated based on the account value as of the end of that quarter. The Incentive Fee is subject to a "high water mark" each quarter. No Incentive Fee will be payable for the quarter if the total return of the account does not exceed the previous "high water mark." The "high water mark" is the highest cumulative total return of the account under management (after deduction of any applicable fees) for any previous period for which an Incentive Fee was payable. The Incentive Fee is calculated only on the total return which exceeds the "high water mark."

To qualify for this type of fee schedule, a client must be considered a "Qualified Client" as defined under Rule 205-3 of the Investment Advisers Act of 1940, and therefore either

demonstrate a net worth of at least \$2,000,000 (excluding primary residence) or must have at least \$1,000,000 under management with WiseBanyan.

Clients who elect to terminate their contracts will be charged a performance-based fee based on the performance of the account for the measuring period going back from the termination date and pro-rated from the date on which the performance-based fee was last assessed. Client may cancel the Agreement without penalty by providing written notice of such cancellation to Advisor within five business days of the date hereof (the "Grace Period"). Client may cancel this Agreement after the Grace Period by providing 15 days advance written notice of cancellation to Advisor.

The performance-based fee may create an incentive for WiseBanyan to recommend investments which may be riskier or more speculative than those which would be recommended under a different fee arrangement. WiseBanyan may receive increased compensation with regard to unrealized appreciation as well as unrealized gains in the client's account.

Performance-based fees will only be charged in accordance with the provisions of Regulation 205-3 of the Investment Advisers Act of 1940 and/or applicable state regulations.

As such, WiseBanyan manages accounts that are charged a performance-based fee as well as accounts that are charged an asset-based fee. WiseBanyan faces conflicts of interest as a result of managing these two separate types of fee accounts at the same time, and as such has an incentive to favor performance-based fee accounts over accounts which are solely charged an asset-based fee. WiseBanyan addresses this conflict by conducting at least monthly reviews of all customized portfolio management accounts to ensure that performance-based fee accounts are not receiving more preferable treatment or allocations of investment opportunities than client accounts that are solely charged an asset-based fee.

### **Item 7 – Types of Clients**

WiseBanyan currently provides portfolio management services to individuals, high net worth individuals, and charitable organizations. WiseBanyan generally requires a minimum account size of \$250,000 for the customized portfolio management solutions referenced in Item 4. This minimum account size may be lowered on a case by case basis.

### **Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss**

For its portfolio management services, WiseBanyan begins with a preset allocation as described in Item 4. WiseBanyan then sells options against ETF's held long. Options sold

are selected based on a variety of factors including but not limited to momentum of the underlying ETF, previous strike prices sold and the amount of premium received. A more detailed explanation of the strategy can be found in Item 4.

Investing in securities involves risk of loss that clients should be prepared to bear. All securities investments can potentially result in a total loss of the investment. Specific and material risks associated with WiseBanyan's portfolio management include but are not limited to:

**MARKET RISK:** WiseBanyan's portfolios are generally positively correlated with the world stock indices. A selloff in equities will generally result in losses in WiseBanyan's managed portfolios.

**LEVERAGE:** WiseBanyan at its discretion may apply leverage to clients' portfolios. This can amplify exposure to the market, meaning that a percentage of market loss may be greater in a client's portfolio.

**SHORT POSITIONS:** WiseBanyan may hold securities short in a client's portfolio. With a short position, the potential for loss is unlimited.

**DERIVATIVES:** WiseBanyan actively trades options within client portfolios. Options can serve to mitigate risk, but they can also enhance risk by amplifying losses.

**CONCENTRATION:** As disclosed under Item 4, model portfolios offered on-line via the WiseBanyan.com web-site are allocated to a very limited number of ETFs, and this concentration creates a greater potential risk to portfolio loss than a diversified portfolio.

## **Item 9 – Disciplinary Information**

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of WiseBanyan or the integrity of WiseBanyan's management. WiseBanyan has no information applicable to this Item.

## **Item 10 – Other Financial Industry Activities and Affiliations**

Neither WiseBanyan nor its management persons, Herbert Moore and Vicki Zhou, are registered or have an application pending as a broker dealer, a registered representative of a broker dealer, a futures commission merchant, a commodity pool operator, or a commodity trading advisor. No relationships or arrangements between WiseBanyan,

Herbert Moore, Vicki Zhou and any other persons or entities creates a material conflict of interest with WiseBanyan's clients.

### **Item 11 – Code of Ethics , Participation in Client Transactions and Personal Trading**

WiseBanyan has adopted a Code of Ethics for all supervised persons of the firm describing its high standard of business conduct, and fiduciary duty to its clients. The Code of Ethics includes provisions relating to the confidentiality of client information, a prohibition on insider trading, a prohibition of rumor mongering, restrictions on the acceptance of significant gifts and the reporting of certain gifts and business entertainment items, and personal securities trading procedures, among other things. All supervised persons at WiseBanyan must acknowledge the terms of the Code of Ethics annually, or as amended.

WiseBanyan anticipates that, in appropriate circumstances, consistent with clients' investment objectives, it will cause accounts over which WiseBanyan has discretionary authority to effect, and will recommend to non-discretionary advisory clients, the purchase or sale of securities in which WiseBanyan, its management persons and/or clients, directly or indirectly, have a position of interest. WiseBanyan's employees and persons associated with WiseBanyan are required to follow WiseBanyan's Code of Ethics. Subject to satisfying this policy and applicable laws, officers, directors and employees of WiseBanyan and its employees may trade for their own accounts in securities which are recommended to and/or purchased for WiseBanyan's clients. The Code of Ethics is designed to assure that the personal securities transactions, activities and interests of the employees of WiseBanyan will not interfere with (i) making decisions in the best interest of advisory clients and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts. Under the Code certain classes of securities have been designated as exempt transactions, based upon a determination that these would materially not interfere with the best interest of WiseBanyan's clients. In addition, the Code requires pre-clearance of many transactions, and restricts trading in close proximity to client trading activity. Nonetheless, because the Code of Ethics in some circumstances would permit employees to invest in the same securities as clients, there is a possibility that employees might benefit from market activity by a client in a security held by an employee. Employee trading is continually monitored under the Code of Ethics, and to reasonably prevent conflicts of interest between WiseBanyan and its clients.

Certain affiliated accounts may trade in the same securities with client accounts on an aggregated basis when consistent with WiseBanyan's obligation of best execution. In such circumstances, the affiliated and client accounts will share commission costs equally and receive securities at a total average price. WiseBanyan will retain records of the trade order

(specifying each participating account) and its allocation, which will be completed prior to the entry of the aggregated order. Completed orders will be allocated as specified in the initial trade order. Partially filled orders will be allocated on a pro rata basis. Any exceptions will be explained on the Order.

WiseBanyan's clients or prospective clients may request a copy of the firm's Code of Ethics by contacting Herbert Moore at (646) 593-8354.

It is WiseBanyan's policy that the firm will not affect any principal or agency cross securities transactions for client accounts. WiseBanyan will also not cross trades between client accounts. Principal transactions are generally defined as transactions where an adviser, acting as principal for its own account or the account of an affiliated broker-dealer, buys from or sells any security to any advisory client. A principal transaction may also be deemed to have occurred if a security is crossed between an affiliated hedge fund and another client account. An agency cross transaction is defined as a transaction where a person acts as an investment adviser in relation to a transaction in which the investment adviser, or any person controlled by or under common control with the investment adviser, acts as broker for both the advisory client and for another person on the other side of the transaction. Agency cross transactions may arise where an adviser is dually registered as a broker-dealer or has an affiliated broker-dealer.

## **Item 12 – Brokerage Practices**

### **PORTFOLIO MANAGEMENT SERVICES**

WiseBanyan participates in the professional services program offered to independent investment advisers by Interactive Brokers and FolioFN, both FINRA registered broker dealers. Interactive Brokers will be recommended to advisory clients that have selected WiseBanyan's customized portfolio management services for the execution of all transactions. Similarly, FolioFN will be recommended to advisory clients that have selected WiseBanyan's web-based model portfolio management services via the WiseBanyan web-site.

WiseBanyan regularly reviews these programs to ensure that its recommendation is consistent with its fiduciary duty. WiseBanyan may not accept clients who direct the use of other brokers.

WiseBanyan requests that clients direct WiseBanyan to place all trades through Interactive Brokers (for customized portfolio management) or FolioFN (for model portfolio management). WiseBanyan has evaluated Interactive Brokers and FolioFN and believes

that each will provide WiseBanyan clients with a blend of execution services, commission costs and professionalism that will assist WiseBanyan in obtaining best execution for transactions. While WiseBanyan has a reasonable belief that Interactive Brokers and FolioFN are able to obtain best execution and competitive prices, WiseBanyan will not be independently seeking best execution price capability through other broker dealers. WiseBanyan reserves the right to decline acceptance of any client account that directs the use of a broker dealer other than Interactive Brokers (for customized portfolio management) or FolioFN (for model portfolio management), if WiseBanyan believes that this would adversely affect WiseBanyan's duty to obtain best execution.

As WiseBanyan will not request the discretionary authority to determine the broker dealer to be used or the commission rates to be paid in these situations, clients must direct WiseBanyan as to the broker dealer to be used. In directing the use of a particular broker or dealer, it should be understood that WiseBanyan will not have authority to negotiate commissions among various brokers or obtain volume discounts, and best execution may not be achieved. Not all investment advisors require clients to direct the use of specific brokers.

WiseBanyan may block trades when advantageous to clients. This blocking of trades permits the trading of aggregate blocks of securities composed of assets from multiple client accounts so long as transaction costs are shared equally and on a pro-rated basis between all accounts included in any such block. Block trading allows WiseBanyan to execute trades in a more timely, equitable manner and to reduce overall commission charges to clients.

WiseBanyan does not have any arrangements to compensate any broker dealer for client referrals.

## **FINANCIAL PLANNING**

Financial Planning clients will be required to select their own broker dealers and insurance companies for the implementation of recommendations.

Unless the client also selects WiseBanyan for ongoing Portfolio Management services, WiseBanyan will not implement any such recommendation on behalf of the client.

## **Item 13 – Review of Accounts**

Customized portfolios are reviewed at minimum once monthly but generally daily and weekly. Herbert Moore conducts these reviews. For model portfolios proprietary as well as commercially available software is used to review the portfolios on a daily basis to ensure

that they are in line with investment objectives. Additional reviews may be triggered by material changes in variables such as a client's individual circumstances, or the market, political or economic environment.

Clients receive monthly performance reviews of their account and have access to daily and even current account balances and positions through their designated custodian. Quarterly WiseBanyan sends clients an account statement showing all transactions and account balances during the prior quarter. All reports are sent via email, as agreed to with each client.

Financial planning clients receive a quarterly review of their asset allocations along with commentary and recommendations. These reports are sent via email.

#### **Item 14 – Client Referrals and Other Compensation**

WiseBanyan does not currently utilize solicitors to refer advisory clients to the firm. Herbert Moore, as Managing Member of WiseBanyan, is the only individual that receives compensation or economic benefit from recommending the investment advice, portfolio management or advisory services of WiseBanyan. WiseBanyan's sole source of compensation is the receipt of advisory fees from its clients; as such, no person or company who is not a client of WiseBanyan's provides economic benefit to the firm.

#### **Item 15 – Custody**

Clients receive at least quarterly statements from the broker dealer, bank or other qualified custodian that holds and maintains client's investment assets. WiseBanyan urges you to carefully review such statements and compare such official custodial records to the account statements that we may provide to you. Our statements may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

In order to prevent WiseBanyan from being deemed as maintaining custody of portfolio management client assets, WiseBanyan will ensure the following:

- a) WiseBanyan will provide a copy of its fee invoice to the custodian at the same time it sends a copy to the client;

- b) WiseBanyan has a reasonable belief that Folio, the account custodian, sends at least quarterly statements directly to the client showing all disbursements from the custodial account, including WiseBanyan's advisory fee.
- c) Client provide written authorization for WiseBanyan to deduct advisory fees from the custodial account in the WiseBanyan client advisory agreement.

#### **Item 16 – Investment Discretion**

WiseBanyan receives discretionary authority from the client at the outset of an advisory relationship to select the identity and amount of securities to be bought or sold. As such, prior to WiseBanyan accepting discretionary authority over a client's account, each client is required to execute a limited power of attorney (or similar document). In all cases, however, WiseBanyan's discretion will be exercised in a manner consistent with the stated investment objectives for the particular client account.

When selecting securities and determining amounts, WiseBanyan observes the investment policies, limitations and restrictions of the clients for which it advises. For registered investment companies, WiseBanyan's authority to trade securities may also be limited by certain federal securities and tax laws that require diversification of investments and favor the holding of investments once made.

Investment guidelines and restrictions must be provided to WiseBanyan in writing.

#### **Item 17 – Voting Client Securities**

As a matter of firm policy and practice, WiseBanyan does not have any authority to and does not vote proxies on behalf of advisory clients. Clients retain the responsibility for receiving and voting proxies for any and all securities maintained in client portfolios. Clients will receive proxies and other solicitations directly from their designated custodian. WiseBanyan may provide advice to clients regarding the clients' voting of proxies.

WiseBanyan will neither advise nor act on behalf of the client in legal proceedings involving companies whose securities are held or previously were held in the client's account(s), including, but not limited to, the filing of "Proofs of Claim" in class action settlements. If desired, clients may direct WiseBanyan to transmit copies of class action notices to the client or a third party. Upon such direction, WiseBanyan will make commercially reasonable efforts to forward such notices in a timely manner.

## **Item 18 – Financial Information**

Registered investment advisers are required in this Item to provide you with certain financial information or disclosures about an adviser's financial condition. WiseBanyan has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients, and has not been the subject of a bankruptcy proceeding.

WiseBanyan does not require or solicit payment of more than \$500 in fees per client, six months or more in advance.

## **Item 19 – Requirements for State-Registered Advisers**

WiseBanyan's Managing Member is Herbert Moore. Herbert began his career at Azimuth Trust, a fund of funds in New York, where he was responsible for monitoring fixed income arbitrage and global macro hedge funds. Subsequent to that position, Herbert worked as a trader for Ansbacher Investment Management, a CTA in New York, where he developed expertise in buying and selling options, futures, swaps and other derivatives within a volatility arbitrage strategy. He holds a B.A. in Economics from George Washington University and an M.S. in Engineering from Stanford University.

WiseBanyan's Vice President is Vicki Zhou. In this capacity, she does not provide investment advice to WiseBanyan's clients. Prior to joining Archipelago on September 1, 2012 Vicki worked at SFC Associates, where she focused on derivatives and structured products from March 2011 through August 2012. She previously worked in investment banking at Citigroup from June of 2008 to July of 2009. Before entering the financial services industry, Vicki co-founded a medical device company where she co-invented the company's flagship product and was responsible for developing business strategy and raising capital. Vicki holds B.S. degrees in Applied Mathematics/Statistics and in Biomedical Engineering from Johns Hopkins University.

WiseBanyan, Herbert Moore and Vicki Zhou have not been involved in any disciplinary events. Similarly, neither WiseBanyan nor either of these individuals has any relationship or arrangement with any issuer of securities. As disclosed under Item 6, WiseBanyan may charge performance-based fees to certain customized portfolio management clients eligible for such fees.

**Item 1- Cover Page**

<b>WiseBanyan, Inc.</b>  <b>Form ADV Part 2 Brochure Supplement</b> <b>January 17, 2014</b>	
<b>Herbert W. Moore</b>	<b>WiseBanyan, Inc.</b>  <b>10 East 40<sup>th</sup> Street</b>  <b>Suite 3210</b>  <b>New York, NY 10016</b>  <b>(646) 593-8359</b>

**This Brochure Supplement provides information about Herbert W. Moore that supplements the WiseBanyan, Inc. Brochure. You should have received a copy of that Brochure. Please contact Herbert Moore, President, if you did not receive WiseBanyan, Inc.'s Brochure or if you have any questions about the contents of this supplement.**

**Additional information about Herbert Moore (CRD #5051518) is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

## **Item 2- Educational Background and Business Experience**

**HERBERT MOORE, born 1983**

### **Education:**

- The George Washington University, BA Economics, 2005
- Stanford University, MS Engineering, 2010

### **Work Experience:**

- President, WiseBanyan, Inc. (f/k/a Archipelago Capital Management LLC and prior to that, HWM Capital Management LLC) 06/2009 to Present
- Associate, SFC Associates, New York, NY, 12/2008 - Present
- Vice President, Ansbacher Investment Management, New York, NY 11/2007 – 11/2008
- Portfolio Manager, Ezra Zask Advisors (Hedge Fund Advisory), Lakeville, CT, 04/2007-11/2007
- President, Mojacity (Real Estate Web-site), Toronto, Canada, 01/2007 – 04/2007
- Associate, Azimuth Trust (Fund of Hedge Funds), New York, NY, 10/2005 – 12/2006

## **Item 3- Disciplinary Information**

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of each supervised person providing investment advice. No information is applicable to this Item.

## **Item 4- Other Business Activities**

In addition to operating WiseBanyan, Inc., Herbert also consults from time to time for SFC Associates, a firm which provides expert witness/litigation consulting.

## **Item 5- Additional Compensation**

Herbert Moore does not receive any economic benefits from third parties for providing advisory services. Herbert Moore also receives compensation for consulting services provided to SFC Associates.

## **Item 6 - Supervision**

Mr. Herbert Moore is the sole owner of WiseBanyan, Inc. As such, Herbert Moore is responsible for supervision of all advisory activities.

## **Item 7- Requirements for State-Registered Advisers**

State registered advisers are required to disclose all material facts regarding certain arbitration events, proceedings, or bankruptcy petitions. No information is applicable to this Item for Mr. Moore.